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BRITAIN'S FUTURE DEPENDS ON COAL, MANPOWER

Long-Awaited Economic White Paper Issued

Five Objectives For The Year

London, Feb. 21. Britain's "economic future depends upon coal and manpower," the Government declared in a White Paper today. "Unless we concentrate on really important things we may never restore the foundations of our national life," the economic White Paper, long-promised and eagerly awaited, warned.

It said the Labour Government was "ready to modify its plans if a case for doing so is made out."

"It is the duty of any democratic Government to take the people frankly into its confidence, however difficult the position of the country may be," Prime Minister Clement Attlee said in a forward. "Our task is certainly a heavy one but it is possible of achievement if it is faced with knowledge and understanding."

The White Paper listed five objectives for the coming year:

- (1) Defence—reduction of the armed forces from 1,422,700 in December to 1,087,000 by the end of March, 1948 with a consequent reduction in the number of workers to supply them.
- (2) Payment of imports—exports this year must be raised to 140 per cent of the 1938 volume.
- (3) Housing—240,000 new permanent houses and 40,000 temporary houses this year. In addition capital, equipment and maintenance must be up 15 per cent over a normal previous year.

Can't Afford To Fail

(4) Consumption—Food supplies will not increase much this year in England because of world shortages, and shortages in clothing, textiles, pottery and furniture will continue. Progress "inevitably will be patchy."

(5) Public Service—education, public health and national insurance programmes, will go forward—but "with special attention to economy in manpower."

"The achievement of all these objectives depends upon the basic industries and in particular coal, power, steel and transport," the White Paper said. "Failure in any of these, particularly to produce 200,000,000 tons of coal in 1947, will set back the entire productive effort. We cannot afford to fail in any of them."

Fundamentally, the Paper said "increased output per man, year is the only way to expand production. The way to effect this is by organized combined effort of man, management and machines," and promised the installation of incentive payments for producers. The White Paper listed three important problems to get Britain back on its economic feet.

Three Problems

- (1) The problem of coal and power: (2) To expand the nation's labour force to increase the output per man and to get workers to where they are needed most; (3) The problem of payment for imports, which involved recovery of exports.

"This is a critical moment in our affairs," the Paper said. "There is no place for industrial arrangements which restrict production, prices, or employment."

"We cannot afford to set a lower coal production target for 1947 than 200,000,000 tons but that would be barely enough for current use and stock."

Even so, the Paper said, "it will be a hard target to reach."

It said underground miners would be exempt from conscription for five years, but an 18-year-old who goes into the pits to avoid the call-up would be conscripted to mine until he was 21.

SUEZ CANAL

Cairo, Feb. 20. Premier Nokrany Pasha, in a statement issued as a result of the four expressed by the International Maritime Conference in London, said today he would not take any steps to "interfere" with navigation in the Suez Canal after British troops left Egypt.

The Conference expressed the belief that Egypt might nationalize the Canal.—United Press.

Coal Exports Stopped

London, Feb. 20. Britain will not export coal until 1948 because of the fuel crisis and the need to build up extensive coal reserves, Sir Guy Nott-Bower, official spokesman of the Ministry of Fuel and Power, said in an interview to-night.

Despite increased output, there is no indication that Britain will restore her coal exports this year, he said.

"We might be able to consider starting exporting coal again next year when we expect that Britain's basic needs will be satisfied," he added.

While the hardest hit of Britain's customers will be Eire, which last year imported over a quarter of the total coal exports, France, Denmark, Italy, Belgium and Sweden come next.—Reuter.

Restaurants Petition To Governor

The "China Mail" understands that a petition was presented yesterday by the Chinese Restaurant and Eating House Association to His Excellency the Governor for repeal of the Meals and Liquor Tax.

The Association, which represents all Chinese restaurants and eating houses in the Colony, is reported to have declared in its petition that the tax, though imposed on customers, has in fact affected the restaurants by driving away customers.

It claims that business has decreased from 30 to 60 per cent as a result of the tax and believes that if the decline continues, many restaurants will be obliged to close.

The "China Mail" understands that the Association, while petitioning for repeal of the present tax, suggests its substitution by a tax on net profits to be imposed directly on restaurants and eating houses.

Jewish Terrorists At Work

Jerusalem, Feb. 20. Jewish extremists stepped up their offensive against British rule today by blowing up the important Iraq Petroleum Company's pipeline in northern Palestine in two places and setting off two more electric mines under military trucks.

Today's sabotage followed on the heels of last night's daring raid on a RAF station at Ein Shemer, half way between Haifa and Tel-Aviv.

The attack on the vital pipeline, which carries British oil from Persian fields to an outlet near Haifa, was regarded as the most serious of today's terrorist acts. Details were still lacking.

The authorities have disclosed more about the assault on the RAF station last night. They said the terrorists lobbed mortar shells into the camp for 20 minutes before they were driven off.

British troops, when they captured the terrorist site, found three home-made mortars, two of which were loaded, and 12 mortar shell cases.

The sabotage of British commercial interests and the mining of communications previously had not come into Irqun's scope in its underground battle. Having apparently been confined to its activity at the present time, the encouragement of illegal immigration, financing and organizing a flow of arms ships from unknown Mediterranean ports, protecting refugees when they sought safety and fighting against deportation of the Jews.—United Press.

Snow Falls In Canton

Canton, Feb. 21. Snow fell in the suburbs yesterday for the first time in 10 years.

The temperature fell to 32 degrees, causing 20 deaths.—United Press.

Snow Both Sides Of Atlantic

London, Feb. 21. European weather, critical factor in Britain's battle against fuel and power shortage, turned worse again today. Snow fell in most districts of England and Wales and most north-east Yorkshire roads which had just been cleared, were blocked again.

Continental countries with out-exception reported sub-normal temperatures and practically all regions were short of fuel while supplies in some areas were drained to danger point.

Despite the previous "go-ahead" from the Government, it appeared that many British industries would be unable to get back into production for some time.

Berlin reported that have 170 died from cold since December 1 and the Belgian capital town of Namur said six died of exposure in the last two days.

The lowest British temperature today was 14 degrees Fahrenheit.—Associated Press.

Eight Inches

New York, Feb. 21. Eight thousand emergency workers today dug New York out from under the winter's worst snowstorm which covered the city's 6,174 miles of streets with eight inches of snow.

Three hundred flights were cancelled on national and international airlines.

Forcing the temporary closing of several major bridges linking New York with Long Island.

For the first time this winter, Broadway's lights shone on empty streets as strong north-east winds blowing snow-whirlwinds—discouraged pedestrians.—United Press.

KILLED FATHER WITH AN ASPIDISTRA

Hertford, Feb. 20. On the night of January 25, William White, 46, returned to his Watford home. He was drunk.

He walked deliberately into the kitchen, selected a knife and mounted the stairway to the second floor.

His wife, two daughters and his little son huddled together in the bedroom. It was not the first time White had come home drunk and they knew from experience that he was likely to be violent.

White, confronted his family with a knife, and, weeping slightly, said, "I am now going to sharpen this knife. I am going to kill Mr. Ware next door and then I am coming back to cut the lot of you up."

He turned and started back down the stairs.

Elsie Dorothy White, 19, looked frantically about at the head of the stairway as an aspidistra.

LEGISLATIVE YUAN'S FLAT REFUSAL

Nanking, Feb. 20. The Legislative Yuan, which is an outspoken critic of the Government's economic policy, today flatly refused the request of the Supreme National Defence Council for legislation providing legal penalties for violators of the emergency economic measures.

The Legislative Yuan, with Dr. Sun Fo presiding unanimously resolved to send the request back to the Council with a "counter-proposal" that the whole economic scheme announced on Sunday be submitted to examination by the Yuan.

"Since they have great bearing on the people's burdens and freedom."

This is the first time the subordinate—Legislative Yuan has taken such a determined position although meetings were frequently punctuated by bitter criticisms of Premier T. V. Soong.

The Legislative Yuan made an unexpected criticism of the Government's handling of gold transactions and the circulation of United States dollars. It pointed out that prohibition of gold transactions, implying that individuals are compelled to sell their gold holdings at the Government's official price, would hurt the common people, more than bureaucratic capital.

It said many poor people, seeing the national currency devaluing, converted all their money savings into gold and are now compelled to sell their holdings to the Government at the low official rate.

It also pointed out that the ban on the circulation of United States dollars is impractical since it is impossible to stamp out the black market due to private needs of foreign exchange in addition to diplomatic complications.

Soong Accused

One Legislative Yuan member questioned the propriety of calling the measures "emergency" since the war has long ended. Another member pointed out that the Government ordered all foreign exchange deposits in the banks, through-out China be surrendered to the Government last year when the rate was set at CN\$3,350 and asked why foreign exchange deposits in foreign countries were not included in that order.

One member charged that T. V. Soong was solely responsible for China's present economic chaos due to the failure of his gold policy.

At the same time, another member said it is foolish now to try to put the blame on

Gold Stuck In Hong Kong

Shanghai, Feb. 21. An authoritative banking source today estimated that at present 200,000 ounces of gold, valued at over US\$7,000,000, are being stored in Hong Kong vaults which owners are unable to move profitably following the recent Chinese collapse and ban of gold sales by the Chinese Government.

The source said gold imports from the United States and Mexico, which last month totalled over US\$10,000,000, have been virtually closed off since Hong Kong is no longer granting import licences. The bulk of imports has been finding its way into China.

The source said the present Hong Kong price was HK\$270 per ounce, which was below cost. The source pointed out some dealers may take a loss if the Chinese ban continues at length.

The source also said the India price was higher than Hong Kong but neither India nor Hong Kong was at present granting licences.—United Press.

SUICIDE LEAP

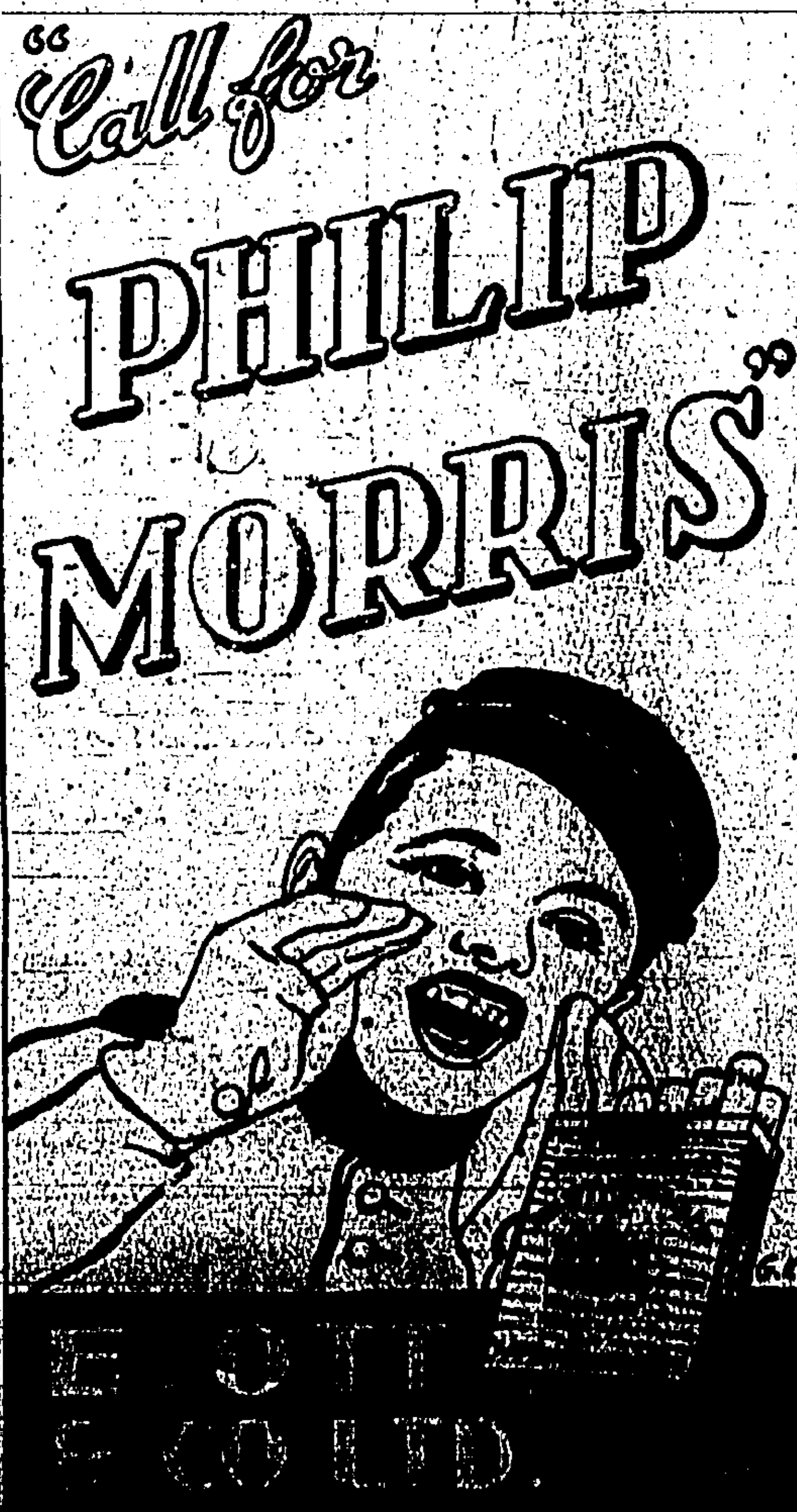
Varazze, Italy, Feb. 20. Twenty-seven-year-old Adamo Betti made a suicide leap from a seventh-floor window here today.

His body crashed through the roof of a two-storey house below.

Betti was found suffering from scratches.—United Press.

ships in Haifa Harbour.

The paper said the ships were apparently transporting refugees from Scandinavia and various Mediterranean ports.—United Press.



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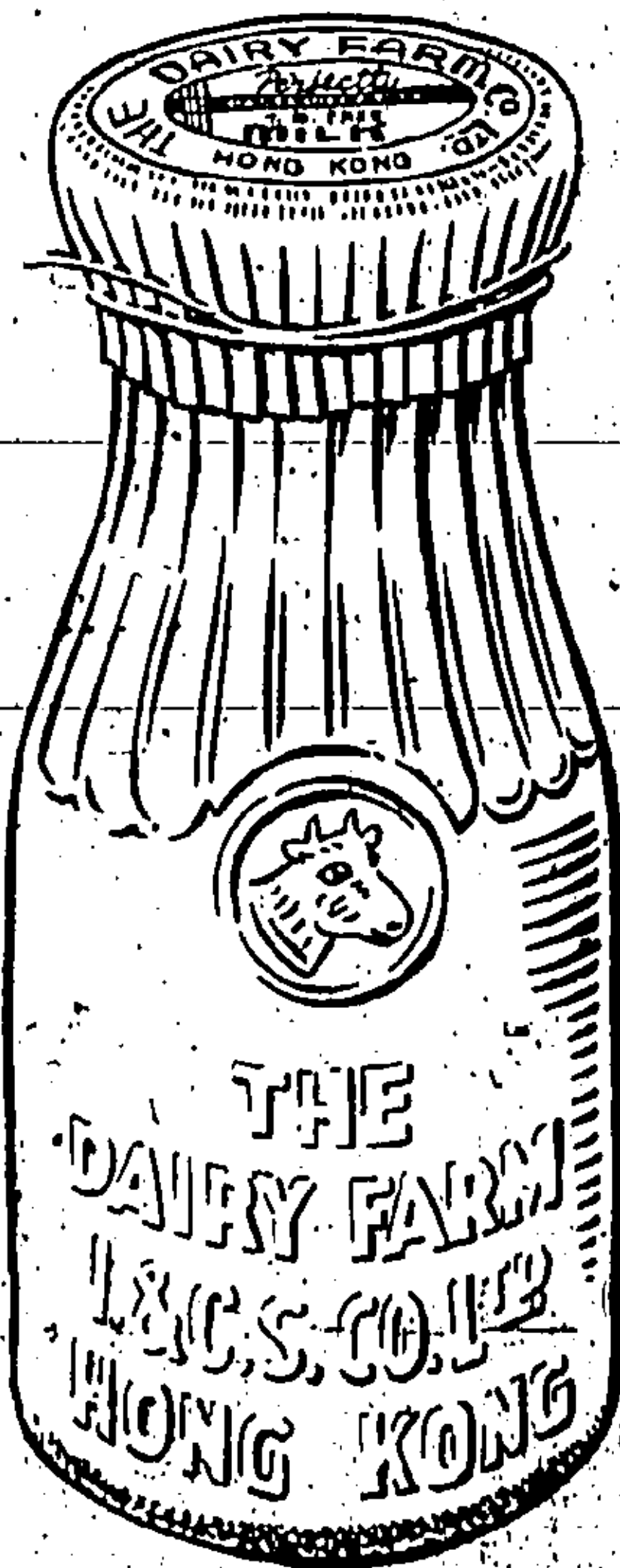
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Director Of Education's Advice To Pupils

Readers' Letters

Income Tax

Sir—To the average Hongkong resident, the crux of the Income Tax problem lies in the form in which it is applied. If the average resident does not at present have sufficient income to meet his daily expenses, where will he procure the funds to pay this tax? It is inevitable that this payment will inevitably mean that his standard of living, already at a low level, will be further reduced.

There is every indication that the average Hongkong resident, whether British, Chinese, Eurasian, Portuguese, or any other nationality, is at present in a position where he can hardly make ends meet. The imposition of direct income tax, therefore, will most certainly inflict further hardship, even misery, on this section of the community which forms the backbone of our local citizenry. When it is considered that the present high cost of living may rise, with corresponding greater hardship to this important section of the community, the effect of direct income tax may well be disastrous.

The obvious remedy lies in indirect taxation. It is up to the Government to find ways and means of raising whatever revenue is required.

Nothing can be better calculated to cause hardship, discontent and dissatisfaction than the imposition of direct taxation on the income of this section of the community, considering the fact that such income has been reduced to a level of bare subsistence.

This letter is written in the fervent hope that the Authorities concerned will take a realistic view of the situation and consider the plight of this unfortunate section of our respectable community.

THE MASSSES.

Homeless

Sir—Hong Kong's homeless couples, with or without child attached, are probably among the

(Continued at foot of next Col.)

The Beilios Girls' School held its first post-war Prize Distribution yesterday when, after the Principal, Miss E. G. Stephens had read the report, prizes were presented to the successful students by Mrs. F. R. Rowell, wife of the Director of Education.

In her report, Miss Stephens said that the school premises in Hollywood Road were destroyed during the Japanese occupation, so that the school had to re-open after the re-occupation in temporary premises at the Northcote Training College until February 1946, when it moved to the Ellis Kadoorie School.

Miss Stephens paid a tribute to the staff who had served the school so loyally in the past and extended a warm welcome to new members. Starting with 300 pupils, the school had now over 600 on the roll, with many more applicants turned away due to lack of space.

After the distribution of prizes, Mr. Rowell, in an address to the pupils, said in part:—
"Miss Stephens has mentioned the security of careers for girls when they left school and expressed the hope that some of you would take up social and welfare work. I can assure you that there is a very growing need for work in that direction in Hongkong, and it is people like yourselves with good education who can do so much for those less fortunate than yourselves."

"There is also another career which as Director of Education I must not forget to stress and that is the teaching profession. In 1941, Mr. Scilla (then Director of Education) had in mind the building of 50 Government Vernacular schools over a period of 10 years. I am myself busily pursuing the same objective and I only hope I can get it in five years instead of in 10. Now, that will mean the need for a very gradually increased number of teachers and for women teachers."

"The Director of Medical Services spoke to me the other day and said that he was finding difficulty in getting probationary nurses. There is another career which is specially suitable to women, and nursing is in great need of recruits."

"A good community should provide for every child a firm

most long-suffering people in the local community, with hopes dimmed by countless disappointments."

Life for them is one endless series of unanswered advertisements in which they find the only houses for which they are not required are located somewhere beyond the range of hills that hangs over Kowloon, of premises never far from the "know" which never bear fruit, of hearing of a likely place "just too late" and of one depression after another as they watch the swelling list of new arrivals and realise that the position is not improving but growing worse.

Unlike the Mother Country, Hong Kong has no legal means of enforcing fair charges for those who, forced by circumstances beyond their control, have to live in hotels and boarding houses. An unspoken, or at least unwritten, agreement seems to keep the prices in the Big Four Hotels just within reasonable limits. The same does not apply to the smaller hotels and boarding houses which are now beginning to blossom up. A typical example is provided by a new one which has just opened. For a double room, barely half the size of the single rooms in, say, the Gloucester, the sum of \$25 per diem is demanded, without food. For a single room, rather reminiscent of the proverbial type where one has to open the window in order to change one's mind, a modest \$18 is requested.

The nearest bathroom is some 50 feet away, the lavatory about half that distance. There are no facilities for washing in one's room; and the resultant chaos and confusion around 8 a.m. can well be imagined. Food is extra, and on a daily basis.

So acute is the need, however, that it seems likely it will soon be full and have quite a respectable waiting list.

Perhaps in their write-up of Hong Kong, the visiting horde of American news correspondents might spare a line or two, and shed a tear for the homeless Hotel Hunters of Hong Kong.

H.P.

Property Damage

Sir—As most people in Hong Kong are aware there was no "War Risk" scheme in force in the Colony on the outbreak of the War, the Chinese having turned down the scheme suggested by the British. Many owners of property damaged during the war are still under the illusion that Government will eventually compensate them for their losses. No suggestion has ever been made as to how this matter will be rectified, although it is becoming a more and more serious problem. The Government should consider the matter and make provision for the compensation of those who have lost their property.

THE CHINA MAIL.

BANK CELEBRATES ANNIVERSARY

The Bank of Canton Ltd., one of the Colony's major Chinese exchange banks, with branches and agencies throughout China, celebrated its 35th anniversary yesterday with a large cocktail party.

The Bank was first started 35 years ago by Chinese merchants in Hong Kong who saw the need of a bank entirely capitalised by Chinese. Through the years it has weathered all vicissitudes, and today it ranks as one of the Colony's leading banking institutions.

Safety of Passengers

The danger of vessels carrying excess passengers was again stressed by Commander Ryder in the Marine Court yesterday when he fined Ho Yick, master of a trading junk from Swabue, \$300 or one month for having on board 32 passengers in excess of the number permitted.

MONEY MART

A week's tone prevailed in the money market yesterday, as every medium of speculation was on the decline.

Chinese National Currency opened at 24½ cents for futures and 24¼ cents for spot (for C.N.C. 1000). The former declined to 22 cents, but the latter, owing to some demand by spot buyers, rose to 20½ cents.

ARRIVALS AND DEPARTURES

Peninsula Hotel arrivals—Duncan Roberts, M.A. Jepson, A.C. Meyer, Mr. and Mrs. Chu Der-hung, Mrs. M. J. Jeffrey, J. Zylstra, Mrs. G. Roach, Mrs. E. M. MacKenzie, Mrs. D.A. Lewis, C. Kelly, Geo. W. Hatcher and Mrs. M. Sherman.

Witness Bursts Into Tears In Box

Evidence of how a Japanese gendarme, Kawamoto, had demonstrated to him how an Australian dog had been trained to attack on investigation was given before No. 5 War Crimes Court yesterday by William Albert Shea, who said that Kawamoto, a order to frighten him, had set the dog to attacking woodwork in a room that appeared to him to be a torture chamber.

Evidence of a similar nature was given by Dr. H. Y. Tseng, who said that at his first interrogation at the Eastern Kempeitai Headquarters a dog had been set on him, but did not bite. Dr. Tseng said that he was given the water torture by Kawamoto three times, was beaten on numerous occasions and was finally told that he would be starved to death if he did not confess the whereabouts of a transmitter. He was also threatened with execution and was actually kept without food for some days.

Beatrice Chan, who burst into tears while giving evidence, said that she had been threatened with having her hair burnt and attempted to take her own life by beating her head against a broken wall. She had lost consciousness in the attempt. She was given the water torture and was kicked and beaten to the extent that she suffered an injury to her kidney.

Murphy's Death

Dr. V. N. Vargassoff gave evidence of having examined Alfred Edward Murphy's body when he was brought back from the Eastern Kempeitai Headquarters. He only saw Murphy dead, Dr. Vargassoff said. He was much shocked and his face looked thinner. The swelling was probably caused by malnutrition.

Murphy had been a patient at St. Paul's French Hospital, suffering from colitis, Dr. Vargassoff said. A few months before he was arrested by the Japanese, he had been diagnosed and was sufficiently recovered to revert to an ordinary, though it would have to be a selected diet.

Battle Drums

Sir—The Battle Drums, which were first heard in the winter of 1941, have been heard in the Colony since then. I am wondering if it is possible to provide a view of the situation in the future, as there are many who are still in the dark as to the future of the Colony.

Pleads Guilty To Bribe Offer

Pleading guilty to a charge of offering a bribe of \$50 to CSI Chan Kim Wan of the Traffic Department, Li Sang, a foreman in the employ of the Kin Hing Construction Company, was sentenced to three weeks' imprisonment with hard labour by Mr. E. H. Sainsbury at Central Magistracy yesterday.

American Club Elections

Mr. W. M. Simmonds, manager of the National City Bank, was elected president of the American Club, and J. W. Powell, head of the Texas Oil Company, was chosen vice-president at the annual meeting of the organisation on Friday night.

D. M. Hykes of the National City Bank was elected treasurer, and R. W. Owens, of Parks Davis was chosen secretary.

The foregoing officers also were elected to membership on the general committee along with W. M. Portridge of Anderson and Meyer, P. M. Cotton, of the American President Lines and M. D. Cooper, of Dowdells.

Elected to the balloting committee were: D. L. Ballantyne, of the Chase Bank; W. M. Stanton, broker; C. T. Hiltnerhouse, of the Van Reekum Paper Company; R. E. Anderson, of the Standard Vacuum Oil Company; J. E. Newlin, of the American President Lines; R. R. Pearson, manager of the Standard Vacuum Oil Company; E. R. Cutlin, of the National City Bank; and F. Groves, of the American Express Co.

ARMED ROBBER CONVICTED

Convicted of armed robbery, Tse Wah was sentenced to nine years' hard labour and nine strokes of the cane by Mr. Justice Williams, Pulao Judge, at the Criminal Sessions yesterday.

With five masked accomplices, not in custody, and armed with a pistol and choppers, Tse Wah boarded four fishing boats anchored in Pak Fung Bay off Ho I Ha Village near Tak Moon Island under bright moon light on Jan. 6, and robbed the fishing people of money, jewellery, clothing and food.

According to evidence, accused was the only one in the gang not masked. During the ransacking, four of the fisher folk were taken to the robber's boat as hostages but were released after the robbery.

The decree nisi granted on Nov. 19 last year by Mr. Justice P. J. Gould to Mr. Harold John Armstrong, solicitor, residing at No. 1, Mac Rona, against his wife, was made absolute by Mr. Justice E. H. Williams, Pulao Judge, at the Supreme Court yesterday.

Convicted on the charge of unlawfully selling two K.C.R. tickets at 2.20 p.m. on Feb. 20, Chiu Chau-hung was fined \$50 by Mr. Blair-Kerr at Kowloon yesterday. S. I. Askew prosecuted.

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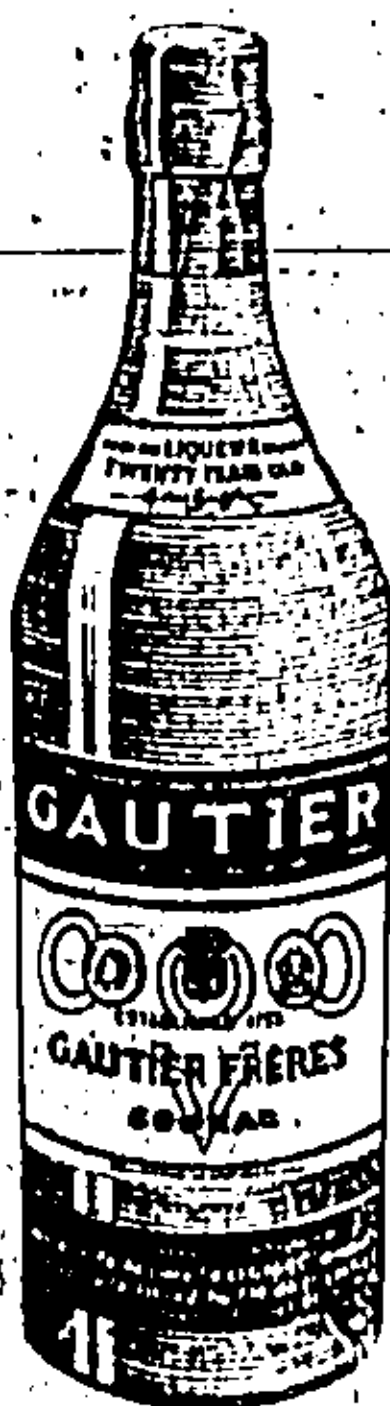
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AN HISTORIC STATEMENT

Britain To Quit India By June, 1948

Lord Mountbatten To Take Over As Viceroy

London, Feb. 20.

The Prime Minister, Mr. Attlee, in the House of Commons today said the British Government would transfer power to Indian hands by a date not later than June, 1948. Mr. Attlee also said that the present Viceroy of India, Lord Wavell, would resign and that Lord Louis Mountbatten would succeed him, taking over the task of transferring the constitution to India.

The present state of, uncertainty in India was fraught with danger, Mr. Attlee said, and could not be indefinitely prolonged. "His Majesty's Government wish to make it clear that it is their definite intention to take the necessary steps to effect transference of power into responsible Indian hands by a date not later than June, 1948," stated the Prime Minister.

Legislation would be introduced in due course to give effect to the final transfer of power in India. The British Government did not intend to hand over powers and obligations of the Indian states under paramountcy to any government of British India.

Although final transfer might not take place until June, 1948, preparatory measures must be put in hand in advance. The British Government will negotiate agreements on matters arising out of the transfer with representatives of those to whom they propose to transfer power. It is important that the efficiency of the civil administration be maintained and the defence of India provided for.

As the transfer of power proceeded, it would become progressively more difficult to carry out the letter of the provisions of the Government of India Act of 1935. "However, the British Government believe that British commercial and industrial interests in India can look forward to a fair field for their enterprise under the new conditions."

Britain would continue to do all in its power to further India's well-being—United Press.

Attlee-Churchill Exchange

London, Feb. 20.
After reading the White Paper, Mr. Attlee spoke of Lord Wavell, who was appointed Viceroy in 1943. He said:

"It was agreed that this should be a wartime appointment. Lord Wavell has discharged this high office during this very difficult period with devotion and high sense of duty. It has, however, seemed that the opening of this new and final phase in India would be an appropriate time to terminate this war appointment."

"His Majesty has been pleased to appoint as a successor to Lord Wavell, Rear-Admiral Viscount Mountbatten of Burma, who will be entrusted with the task of transferring to Indian hands the responsibility for the Government of British India in a manner that will best ensure the future happiness and prosperity of India."

"He will remain on the active list in accordance with his wishes that his future employment in the Royal Navy shall not be prejudiced."

"I am sure the House will wish him well in his task."

In conclusion the Prime Minister announced the conferment of the peerage on Viscount Wavell. Immediately Mr. Churchill, the Opposition leader, got up to ask:

"Will the Prime Minister be content to accept the reasons for the termination of the appointment of Viscount Wavell (Opposition cheers)? Will he indicate to us what differences or divergences or disagreements have arisen between the Viceroy and the British Government?"

Mr. Attlee: "No, I have stated the announcement with regard to

the termination of the Viceroyalty of Lord Wavell. I do not propose to add to it."

No Precedent

Mr. Churchill: "Surely we are entitled to be treated in a reasonable manner? Is it not a fact that if Lord Wavell's Viceroyalty had ended with the war it would have ended 18 months ago and that it had ended after three years it would have ended in June last year? What then is the reason which has led to the removal and dismissal of the Viceroy in full conduct of Government policy (Opposition cheers)?"

Mr. Attlee: "Mr. Churchill knows very well that Lord Wavell was not appointed for a fixed term. As has been stated, it was thought that in the changed circumstances of the Indian problem it was suitable to make a change and I do not propose to add anything to that statement."

Mr. Churchill: "May I ask in all humility, because the House is entitled to a reasonable explanation of this momentous new departure? There must be some reasons, is there any reason why it should be concealed from the House? Why should we not be told the truth (Opposition cheers)?"

Mr. Attlee: "I have already stated the reason. . . . (Opposition cries of 'What Reason?' and 'No reason at all!')

"Wait a moment!" the Prime Minister went on. "I have already stated the reason in the statement. I made that we regarded it as a suitable time to make a change owing to a change in the phasing of the Indian problem. I am not aware of any precedent for such a request."

Mr. Churchill: "What are the reasons which make this time appropriate for a change? Surely the Prime Minister did not wake up one morning and say, 'Oh, let us get another Viceroy.' The Prime Minister must have some purpose or reason behind it and we have a right to know what is that purpose or reason. This was greeted with loud shouts from the Opposition benches which developed into a chorus of 'Answer, answer, answer.'"

Mounting Up roar

Mr. Clement Davis, Liberal leader in the House of Commons, asked for an assurance there would be a full debate at the earliest possible moment. Did the statement mean that the Government had now fixed a definite date when they should transfer responsibility to the Government of India, whether or not agreement had been arrived at between the Congress and the Muslim League?

Mr. Attlee: "The Government are perfectly willing and would indeed welcome a debate—a full debate on all these matters."

Mr. Churchill again rose and

asked for some reasons why "an extremely important executive action" was taken. He said it must have been animated by some motive accessible to human intelligence.

Mr. Attlee retorted, with obvious anger: "When Mr. Churchill was the Prime Minister he made a good many changes both in military and civil appointments and the reasons for any of them (Laughter) . . . I never understood that he thought that an obligation rested on him to come to the House and explain why changes were made."

Mr. Churchill, as excitement and the uproar mounted in the House, answered: "Here we are dealing with a great policy. Are we not dealing with a policy which has been serving the Government in most intimate relations and who is now dismissed? May we not know what divergences are the reason for his dismissal and the appointment of another? Surely this is a matter which in the history of either House of Parliament has never been denied."

No Drifting

Sir John Anderson, former Governor of Bengal, brought the House back to a quieter atmosphere by asking, whether Mr. Attlee did not appreciate the extreme complexities of the issues involved and the utter impossibility of dealing with them in a time limit. Would it, in fact, be possible to hand over responsibility to an authority capable of dealing with India as a whole?

Mr. Attlee: "People are still thinking they can hang on and let things drift. We want definite action."

The Conservatives laughed jeeringly at this and there were many shouts of "Settle," while the Government members cheered the declaration. Mr. Attlee continued: "We want to bring the uncertainty to a close."

Sir John Anderson: "Mr. Attlee has not dealt with my point; my point about the fixed time limit. How can that be reconciled with the uncertainty which must continue for a prolonged and unknown period?"

Mr. Attlee: "That is the reason we put in the date. I think this is a point which would be far better developed in debate than in question and answer."

Mr. Bayvel, Earl of Bismarck (Lab.): "Will Mr. Attlee make it plain that the British Government, while very anxious to fulfil the promise of self-government which the coalition government gave to India, does not seek to abandon all responsibility for the security of India?"

Mr. Attlee: "I have made it plain by saying that it has been our constant endeavour that we should obtain a settled government in India. You cannot obtain that by doing continued uncertainty. As it is the policy of this country, and I think of this House, that Indians should become responsible for their own government, I think it is time they

ALLIANCE NOT NECESSARY

London, England, Feb. 21.
Lord Halifax, Britain's wartime Ambassador to the United States, said the "association of friendship and understanding" which links Britain and the United States is stronger than any treaty alliance which might be written.

In an address to Leeds University, the diplomat told his audience that it is doubtful if an acceptable alliance is possible now but in any event it is not necessary. The friendship of the two nations, he added, is a source of strength to the United Nations.—Associated Press.

He faced up to the fact of that situation.

More Rumpus

Mr. Richard Butler (Cons.), former Under-Secretary of State for India, asked was it the Government's intention to bring legislation before the House before June 1948 and did that not give very much less than a year for all difficulties to be resolved?

If they were not resolved was it still the intention to go ahead and hand over power to small units without proper consideration of the Central Government and, in fact, hand over India to chaos?

There was a renewed uproar here and Mr. Attlee declared, hotly, "It is not the intention to hand over India to chaos. I think these points could be much better developed in a debate."

Mr. Churchill: "Is no answer to be given to the question of whether there has been any differences or divergences (uproar from Members) between the Government and the Viceroy?"

In spite of repeated shouts of "answer, answer," from the Conservative benches, the Prime Minister did not reply. At this point the Deputy Speaker intervened to say the matter could now well be put to rest.

Mr. Henderson Stewart (Lib. Nat.): "I would like to ask a question which has nothing to do with this matter. Does the Prime Minister realise that his reluctance to answer a reasonable question (uproar from Members) is a disgrace?"

The Deputy Speaker again intervened to end the discussion but, amid further derisive cheers from the Government benches, Mr. Henderson Stewart held his ground and said: "I want to ask a fresh point. Does not the Prime Minister's refusal to answer a question to answer indicate that sharp differences of opinion have arisen? (Opposition cheers). Are we to understand that the Viceroy, Lord Wavell, is to be permitted or not to make a public statement?" (Conservative cheers and shouts of "answer").

Communist Draws Laughs

Amidst a further uproar, Mr. William Callaghan (Communist) rose to ask whether it was keeping within the rules of order and procedure of the House that the leader of the Opposition could ask a question 15 times and the leader of the Communists could not ask one simple question? (Laughter). Was it not possible to ask, in view of the question raised by the Leader of the Opposition, if a Labour member or trade union leader was considered for this important appointment? (Loud laughter).

There was no answer.

Mr. Churchill: "I submit that I am entitled to ask a question on this momentous statement. Cannot the Prime Minister tell us whether Lord Wavell is to be permitted to make a statement on this position of his?"

Mr. Attlee still made no reply.

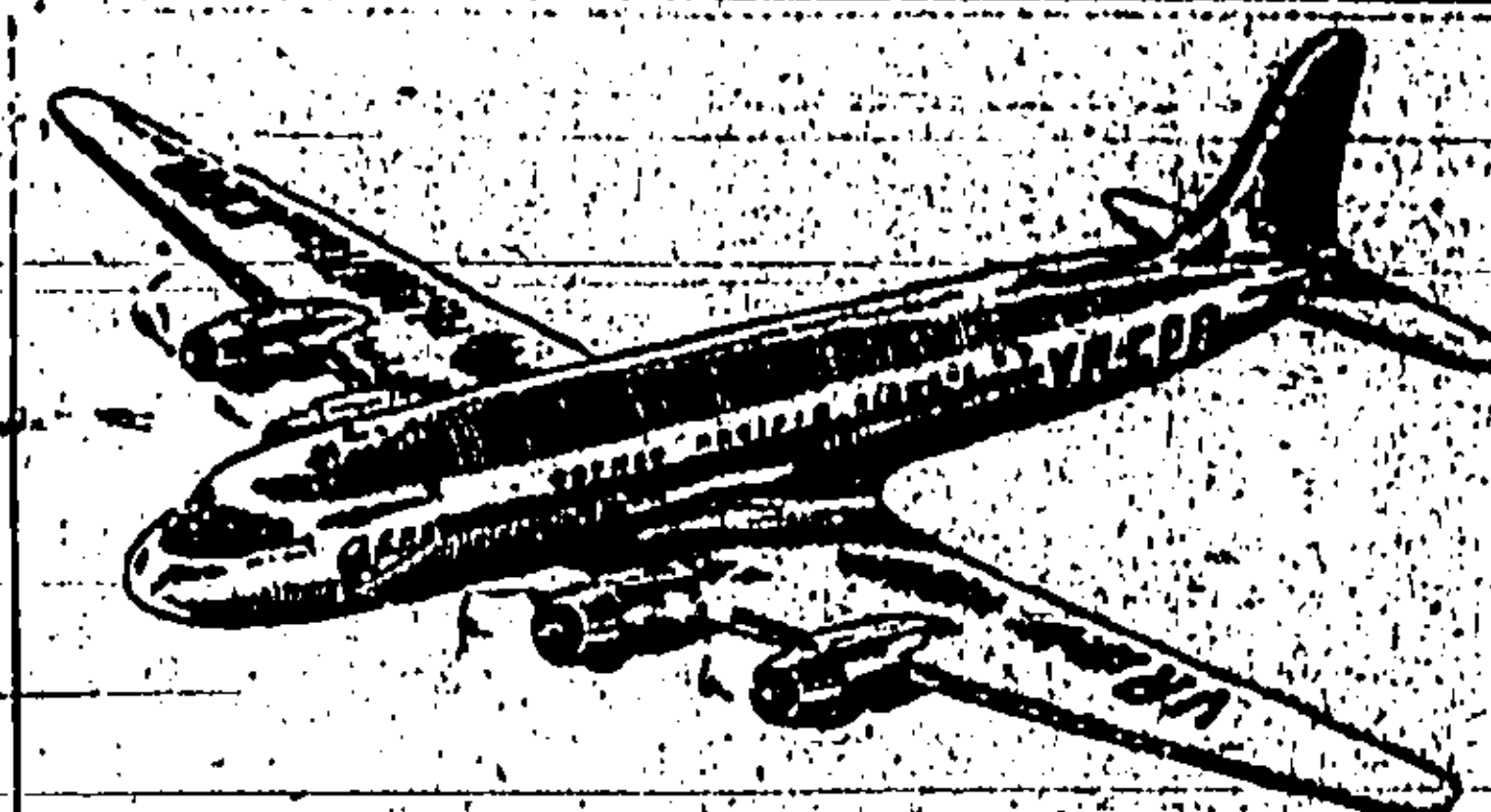
Mr. Wally (Lab.) asked why, whenever an important statement was made from the front bench which involved matters in which all members of the House were vitally interested, time and again an overwhelming part of the time available was taken up by Mr. Churchill?

There were cheers and counter cheers at this.

The House then proceeded to the ordinary business of the day. Front Bench Conservative Opposition at the India debate in the Lords met tonight immediately after the Government's statement on India, and decided to table a motion at the India debate in the Lords next Tuesday that the decision of His Majesty's Government at the India debate in the Indian Government in June, 1948, under the conditions which appear to be in conflict with the previous declarations of the Government and without any provisions for the protection of minorities and for the discharge of their other obligations is likely to imperil the peace and prosperity of India.

Tory Anxiety
The motion has been tabled in the name of Lord Templewood, who, as Sir Samuel Hoare was formerly Secretary of State for India.

The peers will decide on Tuesday whether to press the motion for division against the Government. The Conservatives feel apprehensive over India and some valued tonight that the action of the Labour Government had done more than any other single action to bring the Conservatives to the



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Vessel	Date	From
m.v. "Benares"	22nd. Mar.	Los Angeles & San Francisco
m.v. "Dona Nati"	24th. Apr.	New York via Los Angeles
m.v. "Holland"	24th. Apr.	New York & Newport News
m.v. "Travancore"	25th. Apr.	San Francisco

DEPARTURES

Vessel	Date	For
m.v. "Dona Nati"	19th. Apr.	Pacific & Atlantic Coasts
m.v. "Holland"	20th. Apr.	Los Angeles & San Francisco

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"FOOCHOW"	Singapore & Penang D.L. 27th Feb.
"POYANG"	Bangkok 4 p.m. 4th Mar.
"SHENGKING"	Shanghai 4 p.m. 4th Mar.
"HANYANG"	Shanghai 10 a.m. 5th Mar.
"FENGTIEN"	Singapore, Batavia & Sourabaya D.L. 6th Mar.

ARRIVALS FROM

"SHANTUNG"	Swatow a.m. 25th Feb.
"POYANG"	Bangkok & Sapu Point 25th Feb.
"SHENGKING"	Shanghai 25th Feb.
"HANYANG"	Shanghai A.M. 1st Mar.
"FENGTIEN"	Bangkok 2nd Mar.

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"RHESUS"	Early Mar.	—do—
"SAMSETTE"	Mid Mar.	—do—
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"YUNNAN"	23rd Feb.	Australia (Berthing: Holt's Wharf No. 1)
	Sailing	For
"YUNNAN"	3rd Mar.	Sydney & Melbourne.
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Shanghai's Dim View
Of Currency Crisis

(From Our Own Correspondent)

H.K. Stock
Exchange

The market continued steady with more improvement seen. Banks had a sharp rise in London to 210 1/2, causing local sales to take place at 210 1/2. Hongkong Flows followed yesterday's rally to close buyers at 220 after sales at 227 1/2. Electricity and China Lights provided one of the best turnovers in close business at 213 and 211 1/2 respectively.

The strong demand for Wharves, Dairy H.K. Govt. Loans 107 1/2, 107 1/2 (102 1/2) 103 1/2.

Banks: H.K. Bank 161 1/2, 162 1/2, (160 1/2) 162 1/2. Chartered Bank 12 1/2, 12 1/2, (12 1/2) 12 1/2. Mercantile Bank 2 1/2, 2 1/2, (2 1/2) 2 1/2.

Insurance: Canton Ins. 35 1/2, 35 1/2, (35 1/2) 35 1/2. China Underwriters 10 1/2, 10 1/2, (10 1/2) 10 1/2.

Shipping: Dundee 200 1/2, H.K. Steamboats 12 1/2, Indo China 20 1/2, 20 1/2, (20 1/2) 20 1/2. (Def.) 20 1/2. Shell (Steamers) 10 1/2, 10 1/2, (10 1/2) 10 1/2.

Union Waterworks 4 1/2, 4 1/2, (4 1/2) 4 1/2. Wharves 14 1/2, 14 1/2, (14 1/2) 14 1/2.

Mining: Rauls 4 1/2, H.K. Mines 3 1/2, 3 1/2, (3 1/2) 3 1/2.

Land, Hotels & Buildings: H. & H. 15 1/2, 15 1/2, (15 1/2) 15 1/2. H.K. Lands 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Real Estate 15 1/2, 15 1/2, (15 1/2) 15 1/2.

Public utilities: H.K. Tramways 23 1/2, 23 1/2, (23 1/2) 23 1/2.

Park Trams (H.K.) 11 1/2, 11 1/2, (11 1/2) 11 1/2.

China Lights (H.K.) 11 1/2, 11 1/2, (11 1/2) 11 1/2.

Marine Electric Light 12 1/2, 12 1/2, (12 1/2) 12 1/2.

Telephone (H.K.) 30 1/2, 30 1/2, (30 1/2) 30 1/2.

Industrial: Canton Iron 2 1/2, 2 1/2, (2 1/2) 2 1/2.

H.K. Iron 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Steel 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Copper 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Zinc 10 1/2, 10 1/2, (10 1/2) 10 1/2.

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H.K. Palladium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

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H.K. Rhodium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Rhenium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Ruthenium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Selenium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Tellurium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

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H.K. Niobium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Tantalum 10 1/2, 10 1/2, (10 1/2) 10 1/2.

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H.K. Gadolinium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Terbium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Dysprosium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

H.K. Holmium 10 1/2, 10 1/2, (10 1/2) 10 1/2.

The exchange market remains very quiet, with queues of those caught short of Chinese currency outside Government banks selling their U.S. dollars at the bank rate of 11,600, but already secret black market transactions at 12,500 are rumoured.

It is generally believed that no measures can hold the Chinese currency for any length of time as uncertainty exists regarding the amounts of notes turned out by printing presses to cover civil war expenses.

Original impression of the foreign exchange control regulations was that it was illegal even to possess gold bars and U.S. dollars, but the Minister of Information has announced that only transactions are forbidden and nobody is compelled to surrender such holdings.

If, however, one purpose of prohibiting gold bar and foreign exchange transactions was to afford the Government a chance to acquire stocks of these, then the rates of 480,000 and 12,000 appear unrealistic, as they give a cross-rate of 40, whereas it had been 50.

Unrest Feared
Even those urgently requiring Chinese currency will prefer to borrow at high rates of interest of 15 per cent per month than surrender gold bars to the bank at the present rate.

Main question still remains of the effects of these measures on the cost of living for labour. The wage ceiling has been fixed at the January index, with no increase allowed.

Unless there is a considerable downward trend in prices, together with steepest equalization.

700,000, 288,800,000; Other Securities: Discounts and Advances 21,300,000, 11,800,000; Securities 12,200,000, 18,000,000; Notes and Coins 5,700,000, 7,500,000; Notes in circulation 1,374,000,000, 1,374,000,000; Total Liabilities 1,332,000,000, 1,332,000,000; Ratio of reserve to liabilities 21.32%, 20.12%—Reporter.

London, Feb. 20. (Reuters)—The Bank of England today announced that it had received from the Chinese Government a request for a loan of 100 million U.S. dollars.

The loan is to be repaid over a period of 10 years, with interest at 5 per cent per annum.

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Straits 10 a.m.
Shanghai 10 a.m.

Swatow and Hongkong 3 p.m.
Manila, P.I. and Bombay 3 p.m.

U.S.A., Central and South America and Canada via San Francisco, Kowloon C.P.O. (Par. and Reg.) 3 p.m. (Ord.) 3.30 p.m. (G.P.O. (Par. and Reg.) 2.30 p.m. (Ord.) 3 p.m.

Amoy and Saigon 3 p.m.
Shanghai 3 p.m.

Strait 3 p.m.
Macao, Tientsin and Shikhi 4 p.m.

Canton (by Train) 4 p.m.
Airmail for Hongkong, Singapore, Colombo, Surabaya, Sydney and Auckland.

Kowloon C.P.O. (Reg.) 2.30 p.m. (Ord.) 3 p.m. (G.P.O. (Reg.) 3 p.m. (Ord.) 3.30 p.m.

Airmail for Hainan and London: Airmail for Hainan, Calcutta, Delhi, Johannesburg and Cairo, Kowloon C.P.O. (Reg.) 2.30 p.m. (Ord.) 3 p.m. (G.P.O. (Reg.) 3 p.m. (Ord.) 3.30 p.m.

Airmail for Canton, Hongkong and Kowloon (Reg.) 3 p.m. (Ord.) 3.30 p.m.

Canton 3.15 a.m.
Macao, Tientsin and Shikhi 10 a.m.

Kowloon 10 a.m.

5.05 a.m. Dutch Galleon 5.53 a.m. Montreal on London 4.02 a.m. Montreal on New York 05.07 a.m. Swiss Bank Notes rate 27.25, 28.00, Belgium Franc 22.25 offered, Pound Note 31.5, 32.5, Paraguay 32.00, 32.75—Reporter.

5.05 a.m. Dutch Galleon 5.53 a.m. Montreal on London 4.02 a.m. Montreal on New York 05.07 a.m. Swiss Bank Notes rate 27.25, 28.00, Belgium Franc 22.25 offered, Pound Note 31.5, 32.5, Paraguay 32.00, 32.75—Reporter.

5.05 a.m. Dutch Galleon 5.53 a.m. Montreal on London 4.02 a.m. Montreal on New York 05.07 a.m. Swiss Bank Notes rate 27.25, 28.00

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Keen Competition At The Valley

(By "Rapier")
With the possibility of the weather remaining fine, let us hope not too cold, there ought to be a large attendance at the Race Course for the Second Extra Race Meeting this afternoon.

Readers are reminded that the first Saddle Race will be run at 1.30 p.m. with the first race starting at 2.00 p.m. sharp. There are eight events to be contested and with satisfactory entries received there should be keen competition among the various owners and jockeys for honours.

First Race

Murray Handicap—(Unofficial). From the Two Mile Post Once Round and In.

The programme will open with an event confined to Hong Kong Service Race Club Ponies. After its win at the previous Meeting, Jackie (Mr. G.D.A. Gregory) has been penalised by 7 lbs. Good as Jackie is, and in spite of the fact that it is in tip-top condition, I doubt if it can win over this distance on account of its heavy burden of 167 lbs. but it will probably be a close race. The other ponies are Mr. Newman and, with 122 lbs. to carry, and in view of the longer distance, I think it ought to win. Nigger (Mr. Denholm) is, of course, the danger, and I expect to see it fighting out the finish. Mayfair (Mr. Parry) is also in the race and may provide an upset.

Second Race

Roschill Stakes—(First Section). One Mile.

This race is confined to Australian Subscription ponies of 1947 whether starters or not with a proviso that winners and ponies classified "B" Class are barred. I don't think we need look further than Shannon (Mr. Ostroff) for a win, when it is borne in mind that it ran second to Arabian Moon in the Randwick Plate (Third Section) at the last Meeting. Crown Witness (Mr. Ching), which came in second in the Randwick Plate (Second Section), is also due for a win and will offer a keen fight. Mr. Newman's display put up by Hoi Tolo (Mr. Yuen) in the Trial Plate on the first day of the Annual Meeting. Although it ran unplaced it put up a good show until the five furlong post was reached, and among this crowd should not be disregarded. Hurricane (Mr. Boycott) can move fairly fast and may provide an upset in this crowd.

Third Race

Callione Handicap—(First Section). Six Furlongs.

Expectations of a close and exciting finish should be fulfilled in this race confined to "B" Class Australian Ponies, in which the following should be prominent: Kim (Mr. C. L. Gregory), V-J Day (Mr. G. L. Gregory), Hurricane (Mr. Ostroff), Lightning (Mr. Francis) and White Dragon (Mr. R.K.C. Chui). Kim with Mr. Nathan and the Hay And Corn Stakes (First Section) at the last Meeting, but in the Valley Stakes (First Section), Mr. Black up, it let its backers down very badly through bad starting and if Mr. Gregory should succeed in getting it off without trouble, it can contend it will win. V-J Day, which won the Moon Handicap the last time out but was later disqualified, may give the above pony a keen fight at the end. Hurricane gave us a glimpse of its prowess when it walked off with the Oakleigh Plate (First Section) One mile and, ridden by Mr. Rowlands, the last Meeting it may be thereabouts at the finish. Lightning is a fast mover and if it is allowed to make the running from the

start, a win from this combination would not cause a surprise. White Dragon, which won the Valley Stakes (First Section) at the Annual Meeting, over this distance, has been showing good form lately during morning gallops and it can duplicate its get off from the gate when it won the Valley Stakes. I don't think there is any pony in this race to catch it.

Fourth Race

Roschill Stakes—(Second Section). One Mile.

The second batch of Australian Subscription ponies of 1947, whether starters or not, with winners and ponies classified "B" Class barred, will fight out the issue. A glance at the entries would seem to indicate that Fifth Alarm, which has now fully recovered from its accident just before the Annual Meeting, is the logical choice here for the first position if it is sent out, as it will be Mr. Black's mount. Morning Express (Mr. R.K.C. Chui) ran well last Wednesday morning over the mile in 2-13.4 with a last quarter of 29.4 and with 5 lbs. allowance for its morning jockey, should give the above pony a strong challenge for the premier position. Flying Arrow was third in the Randwick Plate (Third Section) and should have no difficulty in securing third place. Souvenir (Mr. Ching) is coming along very nicely in its morning gallops and may be worth following as an outsider.

Fifth Race

Broken-Hill Handicap. From the Two Mile Post Once Round and In.

Only six ponies have been entered for this event, confined to "A" Class Australian ponies with winners of \$7,500 or more in stakes since Jan. 1, 1947, barred. By virtue of its previous performance, it would appear that Bashful Beauty (Mr. Francis) should have no difficulty in winning this race although allotted top weight of 152 lbs. Sookumpots (Mr. Woo), which lost to Air Borne by a head in the Broadmeadows Handicap over Six Furlongs at the last Meeting, should find the distance more to its liking, and with a concession of 9 lbs. in weight from the above pony should be very near at the finish. For third place, Jeep Lee (Mr. Hodgman) is the obvious nomination, as it is better than either Lightning (Mr. Ostroff) or Royal Commission (Mr. Boycott).

Sixth Race

Callione Handicap—(Second Section). Six Furlongs.

Confined to second batch of "B" Class Australian ponies, it will be no easy task to pick the winner of this race, as several good ponies are included in this section. I believe, however, that the finish will be fought out between Wodonga (Mr. Boycott), Base Emme (Mr. Ostroff), Avalon (Mr. Rowlands), Sunshine (Mr. C.L. Gregory) and Spanish Onion (Mr. D. Black). Wodonga, which came in second to Hurricane in the Oakleigh Plate (First Section) over one mile at the last Meeting, will probably be the favourite, and the distance is to its liking. Base Emme is also in this race if it keeps a straight course, as it was a neck behind Wodonga in the above-mentioned race. Avalon has been running consistently lately and is riding from its last run when it came second to Lily in the Oakleigh Plate (Second Section), is liable to cause an upset. Sunshine was third to Avalon the last time out and if it can get off to a good start it should be near, otherwise I cannot see it beating the above three ponies. Spanish Onion is fighting it at the moment, as this pony is a sprinter, and won a race at the Annual Meeting to pay the biggest dividends of the Carnival. It is well worth following and a ticket each way on this combination may prove profitable.

Seventh Race

Roschill Stakes—(Third Section). One Mile.

In this race, Canary (Mr. C.L. Gregory) will have an opportunity to score a win against these entries basing on its performance in the Randwick Plate (First Section) over Six Furlongs when it lost to Midnight Express, the winner, after being left at the start. There is Burgo (Mr. Ostroff) to be considered as this pony has not yet made an appearance in an official race. It is at the moment and its recent gallops in the morning have been very convincing, and I think it will give Canary a hard run for the first position. Blackie (Mr. Boycott) and Shanghai Beauty (Mr. R.K.C. Chui) should fight out the third place.

Eighth Race

Callione Handicap—(Third Section). Six Furlongs.

This race will wind up the day's programme in which Wodonga (Mr. Boycott) should be prominent.

Selections For Today

(By "Rapier")

Race No. 1. Jackie Nigger. Outsider: Mayfair.
Race No. 2. Shannon. Outsider: Happy Season.
Race No. 3. Kim V-J Day. Outsider: Hurricane.
Race No. 4. Fifth Alarm. Outsider: Souvenir.
Race No. 5. Bashful Beauty Sookumpots. Outsider: Royal Commission.
Race No. 6. Wodonga. Outsider: Spanish Onion.
Race No. 7. Burgo. Outsider: Shanghai Beauty.
Race No. 8. Elnor. Outsider: Kingfisher.

Position Of Jockeys

The following table shows the position of the jockeys up to and including the First Extra Race Meeting:

JOCKEY	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
D.M.H. Hodgman	4	3	1	2	1	1	1	1	1	1
H. Nathan	4	2	1	1	1	1	1	1	1	1
G.L. Gregory	3	3	2	1	1	1	1	1	1	1
R.K.C. Chui	3	3	2	1	1	1	1	1	1	1
P.S. Francis	3	3	2	1	1	1	1	1	1	1
D.G. Wood	2	2	1	1	1	1	1	1	1	1
M. Rowlands	1	1	1	1	1	1	1	1	1	1
M.M. Boycott	1	1	1	1	1	1	1	1	1	1
L.S. Yuen	1	1	1	1	1	1	1	1	1	1
A.W.C. Pratt	1	1	1	1	1	1	1	1	1	1
A.C. Ching	1	1	1	1	1	1	1	1	1	1
J.C. Newman	1	1	1	1	1	1	1	1	1	1
D. Black	1	1	1	1	1	1	1	1	1	1
Handicappers	1	1	1	1	1	1	1	1	1	1
J.P. Parsons	1	1	1	1	1	1	1	1	1	1
O.R. Bailey	1	1	1	1	1	1	1	1	1	1
L.S. Miu	1	1	1	1	1	1	1	1	1	1
J.S. Griffith	1	1	1	1	1	1	1	1	1	1
Handicappers	1	1	1	1	1	1	1	1	1	1
H. Nathan	1	1	1	1	1	1	1	1	1	1
L.S. Yuen	1	1	1	1	1	1	1	1	1	1
P.S. Francis	1	1	1	1	1	1	1	1	1	1
A.R. Denholm	1	1	1	1	1	1	1	1	1	1
J. Blackwell	1	1	1	1	1	1	1	1	1	1
R.M. Wood	1	1	1	1	1	1	1	1	1	1
G.D. Jones	1	1	1	1	1	1	1	1	1	1
R.M. Huttons	1	1	1	1	1	1	1	1	1	1

"Zero Hour" For Tennis Entries

Within the next few hours—1 o'clock to be exact—will arrive the zero hour for the entries for the Hongkong Colony Men's Open Singles and Men's Open Doubles Championships, and also for the Hongkong Cricket Club events, namely, Men's Singles, Men's Doubles, and the three Handicap events, Men's Singles, Men's Doubles and Mixed Doubles.

As already intimated, the lady half of the Mixed Doubles Handicap need not be related to a member, the only proviso being that in this event the male partner must belong to the Hongkong Cricket Club. Additional entries have now swelled yesterday's total, and in a short while it is hoped to publish the names of the ladies and gentlemen who will be striving for Championship and Handicap honours as from Monday, March 10.

At a final reminder, will all players please note that entries will close in Messrs. Percy Smith & Co.'s office, Windsor House, from which office last-minute entry forms can be secured. To give the public a little further idea of the quality of the entries, there will be seen in action, in addition to those gentlemen already described yesterday, Messrs. Paul Kong, H.K.K.P., and (possibly) Lee Wai Tong.

Paul Kong

That very fine sportsman,

at the finish. This pony is more suitable for this distance, but in view of the opposition it should not be fully expected, except perhaps, by Miami Beauty (Mr. Francis). Red Fox (Mr. C.L. Gregory) should be placed, and Kingfisher (Mr. Rowlands) may be worth following as an outsider.

MCC In Happier Position

Sydney, Feb. 21.

Having dismissed nine batsmen for the total of 336, the MCC tourists are in a much happier position after the first day's play of their four-day match with New South-Wales than at one time seemed likely.

This is mainly due to spin bowler Peter Smith who, fully recovered from last month's operation, turned the ball better than at any time of the tour to claim eight wickets at the cost of 119 runs.

Carmody and Morris, the State's opening pair, put on 78 before a smart piece of stumping gave Smith his first-wicket and broke the stand.

On a pitch which seemed to be the batsmen's paradise and in glorious weather the score went along steadily and though Smith claimed the first three wickets, including those of Test-men Morris and Barnes, the score was past 230 for the loss of those three.

Between tea and the close, however, Smith, aided by excellent fielding, proved a constant worry and though Luke, man and Test-bowler Lindwall were engaged in a good stand, Smith broke it up and then played havoc with the "tail".

Smith was making the batsmen play back and then beating them with the deception of his spin, and on this form he would seem to be certain of playing in next week's final Test match.—Reuter.

POLICE RES. ORDERS

Hong Kong Police Reserve Order No. 1 of 1947 by Mr. D. W. Macintosh, OBE, Commissioner of Police.

Drill parades. All ranks of Nos. 1 and 2 Companies will attend Murray Parade Ground on Monday, Tuesday, Thursday, and Friday, 24th, 25th, 27th, and 28th February, 1947 at 5.30 p.m. for Drill Parades. Dress—Uniform.

Meeting. All N.C.O.s from Lance Sergeants upwards will attend Police Reserve Office, Prince's Building, 1st floor, Room No. 122 on Saturday, 22nd February, 1947 at 10.30 a.m. for a meeting. Dress—Muff.

Today's Sports Fixtures FOOTBALL

Shield Competition—Semi Finals

SENIOR DIVISION
Hing Tin v. H.M. Comrades (Caroline Hill—2.15 p.m.)
Referee: Mr. C. Tunstall.
Lingwood v. LAC F. Roberts and Mr. K. J. Roberts

JUNIOR DIVISION

Hing Tin v. Navy (Caroline Hill—2.15 p.m.)
Referee: LAC F. Roberts.
Lingwood v. H.M. Comrades (Caroline Hill—2.15 p.m.)
Referee: LAC F. Roberts.

SECOND DIVISION—LEAGUE

H.M. Land Forces v. H.M. Chinese Cadets (Happy Valley—2.30 p.m.)
Referee: Mr. P. George.
H.M. Land Forces v. H.M. Chinese Cadets (Happy Valley—2.30 p.m.)
Referee: Mr. P. George.

CRICKET

H.M. Land Forces v. R.C.C. (Cox's Path—2 p.m.)
Navy v. R.C.C. (Herring—2 p.m.)

TODAY'S RUGGER

Three and a half hours sport is provided for the followers of the Rugby code this afternoon when some very interesting Seven-a-side games should be seen. Many new faces will be on view and it is not impossible that there will be some surprising results.

The highlight of the afternoon will be at 3.10 when 42 Commando will play the R.A.F. 42 have a very strong side, especially in the back division with Williams, Action and Feely, but in the forward division they are a great deal weaker. He has also Webster and Wainwright to support him. This should certainly be a great game.

On paper the other Commando sides should win, as their youth and fitness will be a great advantage by being "sevens" 45 v. 40. The "sevens" have Taylor, Cessford, Meffam and Speyer, all of whom have played regularly for the Club, but 45 also have regulars in Burgum, Mills, Gourlay and Guest.

Wayfoong v. Land Forces 'A' at 5.10 will be another good game. Parry is a dangerous three-quarter for Land Forces, whilst Wayfoong have Colchester, Hutton and Muriel regulars for the Club. Submarine Officers are expected to have a strong side and would account for the R.E., while the Police with Wright-Nooch and Oliver are expected to beat Tamar at 4.50.

Preliminary rounds are concluded on Wednesday commencing at 4.15 p.m. and the final rounds next Saturday.

The following is today's programme in the annual Seven-a-Side Rugby Competition, on the Club Ground:

2.30 Land Forces 'B' v. H.M.S. Beaufort

2.50 Commando v. Club

3.10 42 Commando v. R.A.F.

3.30 Submarine Ratings v. Land Forces 'C'

3.50 45 Commando v. Talkoo

4.10 H.M.S. Port Sandusky v. H.M.S. Whitehead

4.30 H.M.S. Whitehead Bay v. Commando 'B' H.Q.

4.50 H.M.S. Tamar v. Police

5.10 Wayfoong v. Land Forces 'A'

5.30 Submarine Officers v. R.E.

5.50 2nd Bn. The Buffs v. H.M.S. Neptune

The following will represent the Dockyard Football League in this afternoon football League game: Hall, Amis, and Colegate; Stewart, Hamby and Douglas; Asherwood, Stevens, Ritchie, Trout and Sligh.

that magnificent footballer, Lee Wai Tong, who has also taken very naturally and easily to tennis footwork and fluency of striking in 1929 and 1930; backed up by Paul Kong, he sailed through the Open Doubles Championship on Grass and Hard Courts, to win both these important events in Shanghai.

Next month Hongkong will be favoured with some choice and interesting tennis, put on to help us to revive the game and also to celebrate with great joy our first competitive tennis since the Black Christmas of 1941.

Economic White Paper

(Continued from Page 1)

Failure to build up exports would result in less smoking and motoring and widespread unemployment for lack of raw materials, the Paper warned. Imports this year should be 80 to 85 per cent of the 1938 volume.

About £1,876,000,000 of foreign exchange would be needed in 1947 of which £360,000,000 would have to come from the American and Canadian loans, and £1,200,000,000 would come from exports and re-exports. The dollars problem was critical.

Dollar Problem

The solution, the Paper said, lay in achieving a balance between surpluses in the eastern hemisphere and deficits in the western hemisphere countries.

"This dollar problem, within our total balance of payments, can be solved wholly only by the economic recovery of Europe and the Far East and the establishment of equilibrium in all major trading countries' balances of payments."

The Paper said the long-term target for exports was 175 per cent of the 1938 volume, and to achieve this 25 per cent of the industrial capacity must be diverted to export production.

"The Government calls upon every man and woman in the country to devote themselves unflinchingly to the task which makes us confident they can achieve victory in the economic field as in the six years of war they triumphed over the enemy," Premier Attlee's forward said.—United Press.

Win For Preston

London, Feb. 20.

The outstanding matches of the fifth round of the Football Association Cup competition were cleared up today with Preston North End and Newcastle United winning at Sheffield and Leicester, respectively.

Although only 42,000 fans saw the three postponed matches at Sheffield, receipts were £6,250.

Preston were the superior side on the snow-covered pitch and their two second-half goals earned them the right to meet Charlton in the sixth round.

Nearly 60,000 people at Leicester saw the home team score from a penalty in the sixth minute, but Newcastle fought back strongly and fully deserved their 2-1 lead at the interval. No further goals were scored during the hard-fought second half.

Newcastle meet the other Sheffield team—United—in the next round.—Reuter.

Demanding With Menaces

The trial of three Chinese on charges of demanding money with menaces from the Wah Yick Pawnshop, 149 Nanchang Street, was concluded yesterday when two of the accused were found guilty and sentenced to 12 years' hard labour.

The other accused, Fung Kani, was found not guilty on the demanding money count and discharged. So was found guilty of misprision of felony of uttering a letter demanding money with menaces, and was given the maximum penalty of three years' hard labour.

Chan Fai, who was given 12 years, was found guilty on two counts of possession of three hand grenades, and on one count of demanding \$500 with menaces from the pawnshop. He was given five years and 10 strokes of the cane on the possession of arms count and five years on the demanding of \$500. The sentences were ordered to run concurrently.

55 Yee, who was given nine years, was also found guilty of demanding \$500 with menaces from the pawnshop. He was sentenced to nine years on this count, the sentences to run concurrently.

Mr. Clifford, Crown Counsel, said that on the same evening (Jan. 11) the Superintendent in charge of the guards, Sgt. John Russell Wang, made a report to Capt. A. Wilson, Officer-in-Charge. Previous to this, however, a report had been made by Sgt. Liu-chiu, a clerk employed by the E.S.B.D., as the result of which Sapper Prescott visited the yard to check on the iron sheets. It was, however, too dark to make a proper check, but he did so the following morning when it was found that 375 sheets were missing. A report was made to Capt. Smurthwaite and Capt. Wilson who started investigations.

Capt. Wilson, said Crown Counsel, was handed \$600 by Young Hing in the presence of Capt. Smurthwaite. The guard commander, Young, then told Capt. Wilson that he had seen a truck take away some corrugated iron sheets and that the truck left at about 1.45 p.m. Young was further alleged by the Crown to have said that during the same afternoon some Chinese male had thrown a parcel over the barbed wire of the gate to the sentry saying, "This is for the incident that occurred a few hours ago, or words to that effect, and that, on opening the parcel had been found to contain the money which was handed to Capt. Wilson."

Mr. Clifford went on to declare that on being questioned by DSI J. W. McDonald, who was then under detention by DSI, White.

ALLEGED CONNIVANCE OF SENTRIES

The complete story of how 375 pieces of corrugated iron sheets were taken out of the Engineer's Store, Base Depot, Chatham Road, with the alleged connivance of the two sentries posted on duty outside the gates; their disposal to a buyer prior to the larceny; the ignorance of the said buyer to the fact that the sheets were stolen property; and his attempt to recover the sheets when the loss was discovered, was told by William Maher in the witness stand yesterday before Mr. Latimer at Kowloon.

Maher, who was represented by Mr. Marcus da Silva and who had pleaded guilty to the charge, was accused of larceny by servant of the sheets, valued at \$3,750, between 12.30 and 2 p.m. on Jan. 11. His co-defendants, Chu Kam-shing, coolie foreman, Mo Hung, coolie, were discharged on the application of the Crown Solicitor, as was Tam Tsat, salesman, who was originally charged with receiving stolen property.

At the end of the day's hearing, Mr. C. A. Sutherland Russ successfully submitted that there was absolutely no evidence against Lai Kam, metal broker, charged with receiving stolen property.

The other defendants were Lai Kwai, shop master, represented by Mr. Marcus da Silva, on a charge of receiving stolen property, and Corporal Young Hing and Private Li Tak-hung, both of the Hong Kong Chinese Training Coy., charged with aiding and abetting Maher.

In outlining the facts of the case, Mr. A. J. Clifford, Crown Solicitor, said that between 12.30 and 2 p.m. on Jan. 11, Young and Li were on guard duty at the E.S.B.D., and that their duty was to check unauthorized persons entering the compounds and goods leaving the stores. Maher went to the depot in a lorry, and according to pre-arranged plan, drove in and loaded the lorry with 375 sheets.

For the part they played in allowing this larceny, said Crown Counsel, two coolies, also employed by the E.S.B.D., were paid \$200 each, and the guards \$500 on entry of the truck into the yard and a further \$100 when the job was completed. This \$600, consisting of five 100 notes and ten \$10 notes, were actually found by Young and Li and handed by them to Capt. Wilson, said Mr. Clifford.

Continuing, Crown Counsel stated that after the theft Sapper Prescott got hold of Maher who, after some questioning, confessed, Sapper Prescott then told him to try and get the property back, and Siu was sent with Maher to look for the tin. Maher first telephoned, and finally got hold of, Lai Kwai and then a conversation took place in the Paramount Cafe during which Maher told Lai that the authorities had found out about the theft and that he, Maher, had to get the sheets back.

On Jan. 13, Maher was interviewed by DSI White at the depot and admitted that he had stolen the goods. He led the Police Inspector to Lai Kwai's shop from where they went to Tam Tsat's place. The whole party then went to the Police Station, and from there to Hong Kong where the goods were recovered. Maher, continued Mr. Clifford, was perfectly frank about the whole thing and gave the Police every assistance in recovering the iron sheets.

Maher's Evidence

After evidence by Crown witnesses, William Maher, taking the witness stand, declared that he spoke to both Corporal Young and Private Li